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FOR IMMEDIATE RELEASE

Date: 16 April 2019

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CENTURY BOND BHD. ("CBB" OR "COMPANY")

PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE TO BE UNDERTAKEN BY CBB UNDER SECTION 116 OF THE COMPANIES ACT, 2016 ("PROPOSED SCR")

We refer to the above and we wish to inform the Securities Commission Malaysia that the board of directors of CBB ("**Board**") had today received a letter of offer from Perangsang Packaging Sdn. Bhd. ("**PPSB**" or the "**Non-Entitled Shareholder**"), who holds approximately 98.98% shareholdings in CBB, requesting CBB to undertake the Proposed SCR ("**SCR Offer Letter**").

A copy of the SCR Offer Letter is attached for your information in accordance with the Rules on Take-Overs, Mergers and Compulsory Acquisitions 2016.

Yours faithfully
For and on behalf of
Century Bond Bhd.

Abdul Hamid bin Mohamed Ghows
Independent Director

PERANGSANG PACKAGING SDN BHD (1190574-X)
17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia.
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16 April 2019

Board of Directors
CENTURY BOND BHD.
Suites 5.11 & 5.12
5th Floor, Menara TJB
9, Jalan Syed Mohd Mufti
80000 Johor Bahru
Johor Darul Takzim

Dear Sirs,

PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE TO BE UNDERTAKEN BY CENTURY BOND BHD. ("CBB") UNDER SECTION 116 OF THE COMPANIES ACT, 2016 ("ACT") ("PROPOSED SCR")

1. INTRODUCTION

1.1 We, Perangsang Packaging Sdn. Bhd. ("**PPSB**"), in our capacity as the controlling shareholder of CBB, are writing to request CBB to undertake a selective capital reduction and repayment exercise under Section 116 of the Act which will result in PPSB holding the entire share capital of CBB upon completion of the Proposed SCR.

1.2 As at 1 April 2019, being the latest practicable date ("**LPD**"), the issued share capital of CBB is RM60,000,000.00 comprising 120,000,000 ordinary shares ("**CBB Shares**"). PPSB holds 118,771,566 CBB Shares, representing approximately 98.98% of the share capital of CBB. As at the LPD, there are no parties acting in concert with PPSB who holds shares in CBB.

2. DETAILS OF THE PROPOSED SCR

2.1 The Proposed SCR involves CBB undertaking a selective capital reduction and a corresponding capital repayment exercise pursuant to Section 116 of the Act in respect of the CBB Shares held by all the shareholders of CBB (other than PPSB), whose names appear in the Record of Depositors of CBB as at the close of business on an entitlement date to be determined and disclosed later by the board of directors of CBB ("**Board**") ("**Entitlement Date**") ("**Entitled Shareholders**").

2.2 As at the LPD, the Entitled Shareholders hold 1,228,434 CBB Shares, representing approximately 1.02% of the share capital of CBB.

2.3 Pursuant to the Proposed SCR, the Entitled Shareholders will receive a total capital repayment of RM2,149,759.50, which represents a cash repayment of RM1.75 for each CBB Share ("**SCR Offer Price**") held by the Entitled Shareholders on the Entitlement Date. For avoidance of doubt, PPSB will not be entitled to the repayment of capital pursuant to the Proposed SCR.

2.4 Upon successful completion of the Proposed SCR, the share capital of CBB will be reduced by RM2,149,759.50, by way of cancellation of 1,228,434 CBB Shares held by the Entitled Shareholders.

2.5 PPSB will still hold the remaining 118,771,566 CBB Shares, which are not cancelled pursuant to the Proposed SCR. The said 118,771,566 CBB Shares will amount to the entire issued share capital of CBB, which would result in CBB being a wholly-owned subsidiary of PPSB.

2.6 The SCR Offer Price was arrived at after taking into consideration, among others, the following:

(i) offer price of RM1.75 per CBB Share made pursuant to the unconditional take-over offer by PPSB vide the offer document dated 21 November 2016 to acquire all the CBB Shares not held by PPSB then, which closed on 27 December 2016 ("**CBB Offer**");

(ii) price-to-earnings ratio of approximately 22.10 times based on the audited consolidated net profit of RM9,503,789.00 (attributable to the owners of CBB) for CBB and its subsidiary companies for the financial year end ("**FYE**") 31 December 2018; and

(iii) price-to-book ratio of approximately 1.73 times based on the audited consolidated net assets of RM121,633,845.00 for the FYE 31 December 2018.

If CBB declares, makes and/or pays a dividend or other distribution of any nature whatsoever ("**Distribution**") during the period from the date of the Proposed SCR offer up to the date of the completion of the Proposed SCR, the Offer Price shall be reduced by an amount equivalent to the net Distribution made per CBB Share.

2.7 The shareholding of the Non-Entitled Shareholder in CBB based on the Record of Depositors of CBB as at LPD is set out below:

Name	**Direct**		**Indirect**	
	No. of CBB Shares	**%**	**No. of CBB Shares**	**%**
PPSB	118,771,566	98.98	-	-
Kumpulan Perangsang Selangor Berhad ("**Perangsang Selangor**")	-	-	(1)118,771,566	98.98
Kumpulan Darul Ehsan Berhad	-	-	(2)118,771,566	98.98
Menteri Besar Selangor (Incorporated)	-	-	(3)118,771,566	98.98

Notes:

(1) Deemed interest by virtue of its interest in PPSB pursuant to Section 8 of the Act.

(2) Deemed interest by virtue of its interest in Perangsang Selangor pursuant to Section 8 of the Act.

(3) Deemed interest by virtue of its interest in Kumpulan Darul Ehsan Berhad pursuant to Section 8 of the Act.

2.8 The Proposed SCR will be funded through the internal funds of CBB.

3. RATIONALE FOR THE PROPOSED SCR

Subsequent to the CBB Offer, CBB was delisted and withdrawn from the Official List of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 18 January 2017. Hence, CBB Shares are no longer being traded on the Main Market of Bursa Securities. Accordingly, the minority shareholders of CBB do not have any readily available avenue to monetise their investments in CBB. As such, the Proposed SCR provides an opportunity for the Entitled Shareholders to realise their investments, rather than continue to hold the unlisted CBB Shares.

4. CONDITIONS TO THE PROPOSED SCR

4.1 The Proposed SCR is subject to and conditional to the following being obtained:

(i) notification from the Securities Commission Malaysia that it has no further comments on the circular and the independent advice letter to be issued to the shareholders of CBB;

(ii) approval from the Entitled Shareholders via a special resolution at an extraordinary general meeting ("**EGM**") to be convened which is required to be approved by at least a majority in number of the Entitled Shareholders and 75.00% in value of all CBB Shares held by the Entitled Shareholders that are cast either in person or by proxy at the EGM, and the value of the votes cast against the Proposed SCR must not be more than 10.00% of the votes attaching to all CBB Shares held by the Entitled Shareholders;

(iii) granting of an order by the High Court of Malaya approving the reduction of the share capital of CBB pursuant to Section 116 of the Act ("**Order**");

(iv) consent from relevant creditors/lenders of CBB, if required; and

(v) consent from any other regulatory authorities and/or third parties, if required.

4.2 The Proposed SCR will become effective upon the lodgment of an office copy of the Order with the Companies Commission of Malaysia pursuant to Section 116 of the Act.

5. OTHER MATTERS

In view that the Proposed SCR is at our request, we wish to confirm the following:

(i) the nominated directors of Perangsang Selangor and PPSB in CBB are deemed interested in the Proposed SCR ("**Interested Directors**"). As such, the Interested Directors will abstain from all deliberations and voting at the relevant Board meetings of CBB in respect of the Proposed SCR, and together with persons connected with them, if any, abstain from voting in respect of his direct and/or indirect shareholdings, if any, in CBB on the resolution pertaining to the Proposed SCR to be tabled at the EGM; and

(ii) PPSB is interested in the Proposed SCR. As such, PPSB, together with persons connected with it, if any, will abstain from voting in respect of its direct and/or indirect shareholding, if any, in CBB on the resolution pertaining to the Proposed SCR to be tabled at the EGM.

We trust the above is sufficient for the Board's consideration and look forward to your favourable response.

Yours sincerely,
PERANGSANG PACKAGING SDN. BHD.

Ahmad Fariz bin Hassan
Director

TO: PERANGSANG PACKAGING SDN. BHD.

CENTURY BOND BHD. ("CBB")

PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE TO BE UNDERTAKEN BY CBB UNDER SECTION 116 OF THE COMPANIES ACT, 2016 ("PROPOSED SCR")

We, the Directors of **Century Bond Bhd.** (save for the Interested Directors), hereby agree to undertake the Proposed SCR pursuant to the terms of your letter as set out above.

Yours sincerely,
CENTURY BOND BHD.

Abdul Hamid bin Mohamed Ghows
Independent Director